



THE SAVING PLUS VIEW

Volume - 6 Issue - 104 | JUNE 2014 Pgs : 4 | MONTHLY | www.miconline.co.in | FOR PRIVATE CIRCULATION

Features Pg. No.

Corporate FD List	1
Monthly Payout Scheme	1
Dividend Yield Features	2
Liquid V/s Bank FD	3
Returns of Liquid	3
Ranking of Schemes	4
Analysis of Schemes	4
Performance of Mutual Funds	4

COMPANY FIXED DEPOSIT RECKONER

Company Name	Rating	Interest Rate in (%)				Senior Citizen	Yield 36 M	Minimum Investment	Interest Mode Available
		12 M	24 M	36 M	48 M				
Mahindra & Mahindra Financial Services Ltd	CRISIL : FAAA	9.25	10.00	10.25	9.75	0.25	11.34	10000	H/Q
Bajaj Finance	FAAA	9.25	9.40	9.65	9.25	0.25		150000	M/Q/H/Y
Bajaj Finance	FAAA	9.75 (15 M)						150000	M/Q/H/Y
DHFL - Aashray Deposit Plus	CRISIL : AA+	10.00	10.00	10.00	10.00	0.50	11.34	10000	M/Q/H/Y
DHFL - Swayam Sidha Deposit	CRISIL : AA+	10.00 (500 Days)				0.50	10.46	10000	M/Q/H/Y
DHFL - Aashray Deposit Single	CRISIL : AA+	10.50 (14 M)						10000	M/Q/H/Y
DHFL - Aashray Deposit Trust	CRISIL : AA+	10.50 (13 M)						10000	M/Q/H/Y
DHFL - Aashray Deposit	CRISIL : AA+	10.50 (40 M)				0.50		10000	M/Q/H/Y
Shriram Unnati Deposit	CRISIL : FAAA; ICRA : MAA+	9.25	9.75	10.75	10.75	0.25	11.94	25000	Q/H/Y
Shriram City Union Finance Ltd	CRISIL : FAAA; ICRA : MAA+	9.25	9.75	10.75	10.75	0.25	11.94	25000	M/Q/H/Y
PNB Housing Finance Ltd	CRISIL : FAAA	9.65	9.40	9.40	9.40	0.25	10.45	20000	H
LIC Housing Finance Ltd !	CRISIL : FAAA	9.00	9.25	9.40			10.39	10000	H
Gruh Finance Ltd	CRISIL : FAAA; ICRA : MAAA	9.00	9.25	9.25	9.50	0.25		1000	M/Q/Y

All Interest are of Cumulative Scheme.

Please confirm Interest Rates with respective companies or visit website of companies. Interest rate changes month on month.

Schemes alternate to company's FD's : Regular, Safe, Consistent monthly payout available in schemes listed in this table.

Source : Economics Times, 1/5/2014

SCHEMES	1 Yr. Return	3Yrs. Return	5 Yrs. Return	Standard Deviation
Birla sun Life Dividend Yield Plus Fund	15.83%	5.08%	20.93%	16.39%
BNP Paribas Dividend Yield Fund	18.06%	8.21%	21.12%	13.18%
ING Dividend Yield Fund	13.40%	5.84%	22.26%	15.01%
S & P BSE Sensex Index	17.34%	5.46%	15.51%	16.50%

A) HDFC Platinum Deposit Plan (for Individuals & Trusts) : PLATINUM DEPOSIT

Period	Rate of Interest (pa)				
	Monthly	Quarterly	Half Yearly	Annual	Cumulative
15 Month	9.15%	9.20%	9.30%	0.00%	9.50%
22 Month	9.15%	9.20%	9.30%	9.50%	9.50%
33 Month	9.15%	9.20%	9.30%	9.50%	9.50%

B) REGULAR HDFC DEPOSITS

Period	Rate of Interest (pa)				
	Monthly	Quarterly	Half Yearly	Annual	Cumulative
12-23 Months	9.05%	9.10%	9.20%	—	9.40%
24-48 Months	9.05%	9.10%	9.20%	9.40%	9.40%
48-60 Months	8.95%	9.00%	9.10%	9.30%	9.30%

WESTERN SUBURBS

BORIVALI

MALAD / KANDIVALI	MOB.: 98203 25220
GOREGAON / ANDHERI	TEL.: 2843 2022 MOB.: 99209 03079
JOGESHWAR/ANDHERI	TEL.: 98923 43457
SANTACRUZ (EAST/WEST)	TEL.: 98923 43457 MOB.: 98338 84576
MAHIM, SHIVAJI PARK,	TEL.: 2447 4043
DADAR	MOB.: 98209 65319
VASAI/VIHAR/NALASOPARA	MOB.: 94233 54260 MOB.: 90969 81475

CENTRAL SUBURBS

DOMBIVLI, KALYAN	MOB.: 98208 20274
GHATKOPAR	TEL.: 25061651 MOB.: 9833884572
BHANDUP / MULUND	TEL.: 97020 99951 MOB.: 97020 99951
THANE	TEL.: 2532 9267 MOB.: 98195 98586
THANE	TEL.: 98694 20081 MOB.: 98338 84571

HARBOUR SUBURBS

CHEMBUR / KURLA	TEL.: 2523 3429 MOB.: 98194 92697
-----------------	--------------------------------------

On the spot Brokerage plus Collection of forms.



MERCHANT INVESTMENT CONSULTANCY PVT. LTD.

LUCKY MANSION, 1ST FLOOR, OPP. ABYUDAYA CO-OP. BANK LTD., 250/252, BAZAR GATE STREET, FORT, MUMBAI - 400 001.

Office Time Weekdays 10 a.m. to 6 p.m. • Saturday 10 a.m. to 4 p.m.

TEL. : (022) 6634 8150, 6633 6781, 6654 8097
6654 8098, 6654 8099 • FAX : (022) 2265 4898

E-mail : services@miconline.co.in
Website : www.miconline.co.in

What is Dividend Yield and why is it important ?

Dividend Yield is a financial ratio that indicates how much shareholders are paid in the form of dividends every year, relative to the share price. It helps you measure the cash-flow for every rupee invested in dividend paying stocks.

It is expressed in terms of a percentage, and calculated by dividing the amount of dividend by the share price.

For example; AB Auto is trading at Rs.200 per share, paying an annual dividend of Rs.10 per share. Thus, annual dividend (Rs.10) / Share Price (Rs.200) x 100 = 5% is the dividend yield of the company.

Annual Dividend Per Share / Price Per Share

Its importance can be summaries in two points:

1. Stock market returns of High Dividend Yield companies have historically been better and more stable than general markets.
2. Qualitatively, regular and growing dividends by these companies are indicative of healthy cashflows, a stable business model, consistent growth and an accountable management.

What is its relevance to investors in current equity markets?

The timing of the launch coincides the general elections in India, which is a very important event for financial markets in India. Past experience on election day may give us some insight into the deployment strategy of the fund.

Historically, High Dividend yield can be considered as a good sign of undervalued markets. In 2003-04 and again in 2008-09, as interest rates tread lower, dividend yields peak out after a lag which was then followed by a rally in equities. Interest rates in India are currently at very high levels and may peak out in the near future.

Presenting **ICICI Prudential Dividend Yield Equity Fund**, an open ended equity fund that aims to:

- Invest at least 80% of assets in cos. that have dividend yield greater than the dividend yield of CNX Nifty Index (last released /published by NSE), at the time of investment.
- Identify high dividend stocks within the framework of valuations and fundamentals.
- Invest in high-quality companies with proven records of paying and growing dividends.
- Invest across market cap

Performance of Listed Dividend Yield Schemes In Market

Scheme Name	Overall Performance Ranking	3 Months	1 years	3 Years / Star Ranking	5 Yrs / Star Ranking	Risk	Dividend Policy *
BNP Paribas Dividend Yield Fund	4 Star	7.06	20.27	8.42 / 5 star	20.93 / 4 star	Average	Monthly
TATA Dividend Yield	5 Star	8.55	22.04	7.44/ 3 star	20.98/5 star	Above Average	Half Yearly/ Yearly
BIRLA Sun Life Dividend Yield	3 Star	11.75	16.61	5.04/2 star	20.65/3 star	Below Average	Half Yearly/ Yearly

Note : (*) The Dividend is Declared on distribution surplus of the scheme. This may not be treated as regular income flow. The Dividend policy shown here is from the Dividend History (Which reflects the dividend cycle for the individual scheme.)

The Table Displays the valuation report of different schemes across two different dates from Month to month.

Scheme Name	Launch Year	Valuation 1 (5/5/2014)	Valuation 2 (07/04/2014)	Dividend Income	Returns		
					1 yr.	3 yrs.	5 yrs.
ICICI PRU Discovery	2004	7,13,900	690,500	212,400	29.2	13.6	27.8
BNP PARIBAS EQUITY	2004	4,51,700	452,300	202,500	13.5	10.1	14.7
AXIS EQUITY	2009	1,45,500	144,700	22,000	14.0	10.7	---
BNP PARIBAS MIDCAP	2006	1,45,370	143,700	---	24.1	16.1	25.8
BIRAL SL MNC	1998	30,23,100	30,30,800	660,000	19.9	12.5	25.3
ICICI PRU TOP 100	1998	18,37,700	18,28,000	441,000	22.0	10.8	16.4
TATA ETHICAL	1996	9,02,200	902,700	265,000	23.5	11.4	22.3
BIRLA SL FRONTLINE EQUITY	2002	11,69,700	11,60,900	347,000	17.2	10.5	18.5
SBI BALANCED	1995	6,78,793	664,700	307,000	20.3	11.2	15.2
UTI MNC	1998	8,58,273	860,600	182,000	17.8	12.8	23.0

Assume : Investor have invested Rs. 1,00,000 @ 10 Per Unit during NFO Time.

LIQUID SCHEMES V/S BANK FIXED DEPOSIT OR SAVING A/C

Part of your 'emergency' cash pile can be invested here too. Also, say you've got a sudden inflow of money. You can temporarily put it in a liquid fund and earn good returns until you work out how to invest it.

Investing in liquid funds is a good alternative to having large sums idling in savings accounts. Wondering whether to invest in a liquid fund instead of squirreling away your excess cash in a tried-and-true savings account? The other week, we chanced on a conversation between two friends pitting the pros and cons of liquid funds against savings bank accounts. Here's recounting their discussion to help you make a decision:

Asha: Did you invest some of that pile of cash in your savings bank account in a liquid fund, as I suggested?

Ravi: Not yet. You did not explain what a liquid fund is and how risky it is. Was thinking I already have a systematic investment strategy going on that draws money out of my bank account every month. So, I can afford to leave my money in my bank account!

Asha: Fine then, here goes. A liquid fund is a debt mutual fund that invests in very short-term instruments — commercial papers, treasury bills, certificates of deposit, and so on. Liquid funds generally invest in instruments that have a very high credit rating.

The maturity of the instrument can go up to 91 days. But portfolios of most liquid funds have average maturities well below that; even six or eight days sometimes. So a liquid fund holds very low risk.

Ravi: How so?

Asha: Patience! I'm coming to that. Since the instruments have very short tenures, they are not traded in the market, and instead held-to-maturity by the fund. This removes mark-to-market losses on the instruments and eliminates volatility. Other debt funds have securities with longer maturities and so are more influenced by interest rate changes and market movement.

Ravi: How does the net asset value move then and how do we make any returns?

Asha: A change in the net asset value of a liquid fund comes about as interest on the instrument accrues. In the past one year, liquid funds have given an average 9 per cent return. Top performers have even delivered 10 per cent. Most banks pay annual rates of 4 per

cent on savings accounts, though some pay 5.5-7 per cent. Liquid funds also give dividends, ranging from daily to quarterly payouts.

Ravi: But I can withdraw money from my bank at any time. Plus, funds charge exit loads on early redemption. So why would I choose liquid funds?

Asha: Yes, you cannot draw money from a liquid fund as you would from an ATM, except with maybe one or two funds. So yes, a bank account definitely scores highest on liquidity. But since liquid funds have low average maturities, they can be redeemed easily without suffering losses. And these funds don't have any exit loads! Expenses in a liquid fund are usually less than 1 per cent.

Ravi: But funds can incur losses. A savings bank account is very safe.

Asha: No, liquid funds very rarely deliver capital losses, because of the low risk I just explained. There may be one-time instances, such as last July, when liquid funds did slip. Even in such cases, don't panic and sell. Instead, allow the benefit of holding the instrument till maturity to come into play.

Ravi: What about taxes?

Asha: Liquid funds are subject to dividend distribution tax of 28.325 per cent, which the fund house pays. When you sell a liquid fund, it attracts short-term capital gains tax at your income tax slab rate if the holding period is less than one year. Long-term capital gains tax at 20 per cent with indexation and 10 per cent without applies to holding periods over one year. Interest above Rs 10,000 in a year from your savings bank account is subject to tax according to your slab.

Ravi: So which has better post-tax returns?

Asha: Liquid funds give higher returns than savings bank accounts even on a post-tax basis. Across interest rate cycles in the past five years, liquid fund returns have held above the savings bank rate.

Ravi: All this talk, and I'm still not clear on when to use liquid funds!

Asha: All right, let me spell it out. If there's a large sum in your bank account lying idle, then a liquid fund is a good parking ground.

Scheme	Birla Sun Life Cash Manager	BNP Paribas Money Plus	Axis Treasury Advantage	ICICI Pru Savings Fund	Tata Treasury Manager
Inception Date	May 14, 1998	Oct 19, 2005	Oct 08, 2009	Jul 30, 2004	Jul 12, 2007
Benchmark					
Latest NAV Rs/Units	310.93	18.96	1440.68	193.367	1690.84
3 Months	2.3%	2.0%	2.3%	2.1%	2.2%
6 Months	4.5%	4.0%	4.5%	4.1%	4.3%
1 Year	8.9%	8.3%	9.5%	8.5%	8.8%
2 Years	8.9%	8.5%	9.4%	8.5%	8.7%
3 Years	9.0%	8.7%	9.5%	8.6%	8.9%

Monthly Regular Payout available in the above listed schemes.

BENEFITS WITH MERCHANT INVESTMENT CONSULTANCY.

- (1) **Online Portfolio Viewer** Anytime and Anywhere in World On Our Website: www.miconline.co.in
- (2) **Mobile Portfolio Viewer**, You Can Download Our Smart Phone Application on Your CellPhone To View Your Investment Details Anytime
- (3) **Dedicated Backup Team & Staff To Take Care of Your Investment**
- (4) **Transaction Confirmation On EMAIL**, For Every Single Financial / Non Financial Transaction
- (5) **We Cover Major Of Mumbai City**, The Same Can be Checked on Our Website
- (6) **Monthly News On Market Through Our News Bulletin: "THE SAVING PLUS VIEW"**, Which Can Be Procured Through Our Website or Register Yourself to Get Delivered on Your Home/Office
- (7) **Weekly Update ON Products Cycle**, Investment Patterns, Market News and Analysis
- (8) **We Also Send Statement of Account On Email As And When Required**
- (9) **Financial Investment Reports** : Portfolio Summary, Dividend Report, Capital Gains, Holding Statement, XIRR and CAGR Report, Family Wise and Individual Wise
- (10) We Deal In **MUTUAL FUNDS**, Corporate Fixed Deposits, NCD Bonds, TAX Saving Schemes, CAPITAL GAIN Schemes Bonds, ETC

SIP Equity Scheme Returns

SIP Tax Saving Schemes

Note : The details displayed is shown as SIP Investments Fares better in all season. The returns of 4 years, where market cycle was roll-a-coaster ride : 1/4/2010 - 5/5/2014.

BNP PARIBAS EQUITY	Ranking
Returns Earned 25.27%	1
Amount Invested 98,000	
Valuation 1,22,761	

AXIS EQUITY	Ranking
Returns Earned 27.94%	1
Amount Invested 98,000	
Valuation 1,25,378	

Birla SunlifeMNC	Ranking
Returns Earned 31.85%	2
Amount Invested 98,000	
Valuation 1,29,209	

TATA Ethical	Ranking
Returns Earned 30.81%	2
Amount Invested 98,000	
Valuation 1,28,193	

BNP Paribas Mid Cap	Ranking
Returns Earned 38.55%	1
Amount Invested 98,000	
Valuation 1,35,779	

ICICI Prudential Top 100	Ranking
Returns Earned 30.50%	2
Amount Invested 98,000	
Valuation 1,27,890	

BNP Paribas Dividend Yield Fund	Ranking
Returns Earned 23.28%	2
Amount Invested 98,000	
Valuation 1,20,818	

ICICI Prudential Value Discovery	Ranking
Returns Earned 40.83%	2
Amount Invested 98,000	
Valuation 1,38,018	

BNP Paribas Tax Saver	Ranking
Returns Earned 28.32%	1
Amount Invested 98,000	
Valuation 1,25,755	

AXIS Long Term Equity	Ranking
Returns Earned 44.02%	1
Amount Invested 98,000	
Valuation 1,41,143	

ICICI Prudential Tax Plan	Ranking
Returns Earned 33.08%	2
Amount Invested 98,000	
Valuation 1,30,417	

Franklin India Tax Shield	Ranking
Returns Earned 27.48%	3
Amount Invested 98,000	
Valuation 1,24,929	

NOTE : The Ranking based on consistent & regular performance from 3 to 5 yrs. period which also takes into consideration. i.e. Dividend History, Monthly, Quaterly & Yearly Performance of the Schemes.

TAX SAVER SCHEMES

Scheme Name	NAV	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Ranking
BNP Paribas Tax Advantage	19.28	17.00%	16.70%	12.00%	17.40%	1
Axis Long Term Equity	19.30	28.80%	23.10%	16.60%	---	1
ICICI Prudential Tax Plan	191.36	27.20%	19.80%	10.8%	23.1%	2
IDFC Tax Advantage	26.31	20.9%	19.50%	10.8%	17.5%	3
Franklin India Tax Shield	278.62	19.1%	15.60%	10.3%	18.8%	3

DISCLAIMER : 1) Investment done in Mutual Funds, Company Fixed Deposits, Bonds etc. are subject to Market Risk. Investors are required to read the offer documents and application forms carefully before investing. 2) We act as the distributor between the company and the investor, we wont be responsible for any market losses occurred in investments in mutual funds & company fixed deposits. 3) Please confirm interest rates before applying, we don't take any responsibility for change in interest rates & loss occurred due to same. 4) Company FD investments are unsecured in nature. 5) We don't promote or recommend any schemes, investors need to clarify & understand the details of every investments done by them.

Equity Schemes Pay In Long Term

Table 1 : Making one-time investments

Investment Year	Amount Inveted	Current Value	CAGR (%)
1999	10 lakh	2.12 Crore	22.6
2004	10 lakh	50.7 lakh	17.6
2014	10 lakh	26.6 lakh	21.6

Table 2 : Opting for systematic investment plans (SIPs)

SIP duration	Amount Inveted	Current Value	CAGR (%)
15 Years	18 lakh	1.06 Crore	20.7
10 Years	12 lakh	23.87 lakh	13.0
5 Years	6 lakh	7.74 lakh	9.7



MERCHANT INVESTMENT CONSULTANCY PVT. LTD.

250/252, BAZAR GATE STREET, 1ST FLOOR, LUCKY MANSION,
NEAR APNA BAZAR, FORT, MUMBAI-400 001,

LAND MARK : 10 MINUTES FROM V. T. STATION

Tel. : 6633 6781, 6634 8150, 6654 8097, 6654 8098, 6654 8099

Fax : (022) 2265 4898 • E-mail : services@miconline.co.in

Website : www.miconline.co.in

Editor and Published by : Anoll Merchaant on behalf of Merchant Investment Consultancy Pvt. Ltd.,
250/252, Bazar Gate Street, Fort, Mumbai-1, Printed at Somani Printing Press, 14-A, J. R. Boricha
Marg, Sitaram Mill Compound, Lower Parel, Mumbai - 400 013.

From : MERCHANT INVESTMENT CONSULTANCY PVT. LTD.
250/252, BAZAR GATE STREET, 1ST FLOOR, LUCKY MANSION,
NEAR APNA BAZAR, FORT, MUMBAI-400 001,

Note : Every care has been taken to publish the information / articles.
However editor, publisher, printer will not be responsible for any error/change in rates etc.
when publishing the same. Kindly read the form before advising, investing.